

French Crotale air-defense missiles, Russian YJ-2 anti-ship missiles and two Russian Ka-28 anti-submarine-warfare helicopters make it formidable vessel.

While the arms merchants pile in, there are clear signs of unease in some foreign capitals about the scale of China's arms-buying bonanza and the danger to regional security. For the U.S. and regional governments, the main concern is that short-term corporate greed is overpowering Western fears of arming a potential enemy of the future to the teeth.

Reflecting such official unease, New York-based satellite-maker Loral Space & Communications agreed with the U.S. Justice Department this month to pay a record \$14 million fine to settle charges that it may have illegally given satellite know-how to Beijing.

Hughes Electronics of California is also expected to settle with Washington over its role in similar technology leaks.

A U.S. Congressional committee in 1999 accused both companies of helping overcome serious shortcomings in Chinese rocket launchers following an expensive series of failed satellite launches in the mid-1990s. Since then, China launched more than 30 satellites without a hitch. There are strong suspicions in Washington that the PLA's nuclear missiles carried on the same launchers and aimed at the U.S. are now more reliable because of information from U.S. firms.

At the same time as the probes into Hughes and Loral, Washington forced Israel to cancel a \$1.25 billion sale of up to five Russian-built aircraft equipped with Israeli-made Phalcon early warning radar to the PLA. Such aircraft would be crucial in coordinating large-scale operations over the Taiwan Strait.

Anxious to keep its good relations as an arms supplier with Beijing, Tel Aviv is now negotiating to pay compensation to China for backing out of the deal. Diplomats say that discussions between both sides earlier this month in Beijing also covered what other hardware may be supplied by Israel.

But regardless of international pressure on sellers, tension across the Taiwan Strait is likely to prolong the feast for arms makers. As China's power grows, so does Taiwan's demand for yet more weapons to ensure parity. The Bush administration last year agreed to supply Taipei with its biggest arms package in decades, including a group of up to eight submarines that alone will cost more than \$4 billion.

Watching the arms race, some analysts are questioning the wisdom of China buying hardware from such a range of suppliers. For a start, the logistical and technical support needed to maintain so many different weapons systems is a major challenge. And it takes more than just advanced hardware to be a military power. Training, military doctrine and the integration of weapons and sensors are also vital. There is also the danger that in trying to keep pace with Western firepower, China might overextend itself financially—as the Soviet Union did.

Nevertheless, analysts such as Tsai in Taipei believe that the sheer pace of its spending is allowing China to close the military gap with the U.S. and the rest of the West fast enough to pose a real security threat for Taiwan. "It is unnecessary for China to catch up with the West in all fields," he says. "They just need enough to deter the U.S. from becoming involved in the Taiwan Strait."

#### FORMER WISCONSIN GOVERNOR JOHN REYNOLDS

Mr. FEINGOLD. Mr. President, one of Wisconsin's great progressives died a

few days ago. Former Wisconsin Governor John Reynolds passed away on January 6. He was 80.

The son of an Attorney General, and the grandson of a Representative in the State Assembly, John Reynolds came from one of Wisconsin's most distinguished political families, and he himself was the model of what public service should mean.

Reynolds, a native of Green Bay, was one of the founding fathers of the modern Democratic Party of Wisconsin, but his roots were in the Progressive Party of Robert and Phil La Follette. His grandfather was elected to the State Assembly as a Progressive Republican, and his father, who served as the State's Attorney General, was chairman of the independent Progressive Party.

John Reynolds, like his father, served as Wisconsin's Attorney General. He was the State's Governor from 1963 to 1965, and was appointed by President Johnson to serve as a Federal Judge in Wisconsin's Eastern District where he served as Chief Judge from 1971 until 1986.

But as impressive as it is, that resume does not do him justice. In memorializing John Reynolds, the Wisconsin State Journal wrote that his true legacy was his support of the rule of law and equal rights under the U.S. Constitution. Indeed, he may be remembered best as a civil rights advocate. His most famous decision as a judge was his 1976 order that Milwaukee schools be desegregated.

As columnist John Nichols wrote of him, "John Reynolds never surrendered the Progressive vision that the political and economic rights of individuals must be protected against encroachments by corporate and political elites bent on self-service."

In 1963, as a sitting Governor, John Reynolds supported civil rights demonstrations. In a statement he made in support of those demonstrations, John Reynolds said: "The time is long past when Americans can be content with foot-dragging in civil rights. Those who have urged caution forget that those who suffer the pains of discrimination suffer them every day."

Those words ring true today. They are a mark of the greatness of John Reynolds, a greatness that did not come from the offices he held, but from his principled compassion and political courage.

#### NATIVE AMERICAN TRUST FUNDS

Mr. JOHNSON. Mr. President, I rise today to express my deep concern for the outlook of the trust fund management system. I have requested on numerous occasions that the Department of the Interior to consult with tribes on this issue. I understand this is difficult, given the scope and expanse of the approximate 560 Tribes in the United States, but it must be done in a far more meaningful manner than has been the case up until now.

Tribes feel that the Department of the Interior has presented a plan, and are simply going through the motions of "consultation." The very idea of consultation is not to formulate a plan and then impose it upon the interested party. It is to work with the effected parties and formulate a plan together. This is the essence of consultation between the Federal Government and Indian Country; it is at the heart of true government-to-government relationship.

The present and future challenge the Department of the Interior, Bureau of Indian Affairs and the Office of Special Trustee face are a high priority for South Dakota's Indian tribes. As a member of both the Senate Indian Affairs Committee, as well as, the Appropriations Committee, I look forward to working on efforts to improve the quality of services provided by the Department, and to protect the interests of tribes in my state of South Dakota and across the country.

The issue of Trust Fund mismanagement is one of the most urgent problems we are faced with in Indian Country. Of all the extraordinary circumstances we find in Indian Country, and especially in South Dakota, I do not think there is any more complex, more difficult and more shocking than the circumstances we have surrounding trust fund mismanagement.

This problem has persisted literally for generations, and continues today. Administrations of both political parties have been inadequate in the response, and the level of direction and the resource provided by Congresses over past decades has also been sadly inadequate. The Federal Government, by law, is to be the trustee for Native American people. When the Trust Fund Management Act of 1994 has passed, I was hopeful that this accounting situation would at last be remedied. Unfortunately, this has not been the case.

In 1996, I was appointed by Chairman YOUNG to the Congressional Task Force on Indian Trust Fund Management, to review and study the management and reconciliation of funds administered by the Department of the Interior's Office of Trust Fund Management. Those meetings were informative but far from productive as three years and many millions of dollars later, this problem still persists.

My concern remains, where are we now, and what does the Department hope to accomplish from the creation of another bureau? Far too much time and resources have been exhausted attempting to remedy this deplorable situation, which affects far too many of South Dakota's poorest people.

This is one of the most urgent problems we face in Indian Country, and there are so many more problems that flow from, or the solutions stem from the inability to come to terms with this issue. Congress has reviewed this issue over 10 times in recent years. We should not have to continue to revisit this issue ten more times to get it solved.